

1                                    AMENDMENT TO HOUSE BILL 144

2            AMENDMENT NO. \_\_\_\_\_. Amend House Bill 144, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5            "Section 5. The Riverboat Gambling Act is amended by  
6 changing Sections 7 and 13 as follows:

7            (230 ILCS 10/7) (from Ch. 120, par. 2407)

8            Sec. 7. Owners Licenses.

9            (a) The Board shall issue owners licenses to persons,  
10 firms or corporations which apply for such licenses upon  
11 payment to the Board of the non-refundable license fee set by  
12 the Board, upon payment of a \$25,000 license fee for the  
13 first year of operation and a \$5,000 license fee for each  
14 succeeding year and upon a determination by the Board that  
15 the applicant is eligible for an owners license pursuant to  
16 this Act and the rules of the Board. A person, firm or  
17 corporation is ineligible to receive an owners license if:

18                    (1) the person has been convicted of a felony under  
19 the laws of this State, any other state, or the United  
20 States;

21                    (2) the person has been convicted of any violation  
22 of Article 28 of the Criminal Code of 1961, or

1 substantially similar laws of any other jurisdiction;

2 (3) the person has submitted an application for a  
3 license under this Act which contains false information;

4 (4) the person is a member of the Board;

5 (5) a person defined in (1), (2), (3) or (4) is an  
6 officer, director or managerial employee of the firm or  
7 corporation;

8 (6) the firm or corporation employs a person  
9 defined in (1), (2), (3) or (4) who participates in the  
10 management or operation of gambling operations authorized  
11 under this Act;

12 (7) (blank); or

13 (8) a license of the person, firm or corporation  
14 issued under this Act, or a license to own or operate  
15 gambling facilities in any other jurisdiction, has been  
16 revoked.

17 (b) In determining whether to grant an owners license to  
18 an applicant, the Board shall consider:

19 (1) the character, reputation, experience and  
20 financial integrity of the applicants and of any other or  
21 separate person that either:

22 (A) controls, directly or indirectly, such  
23 applicant, or

24 (B) is controlled, directly or indirectly, by  
25 such applicant or by a person which controls,  
26 directly or indirectly, such applicant;

27 (2) the facilities or proposed facilities for the  
28 conduct of riverboat gambling;

29 (3) the highest prospective total revenue to be  
30 derived by the State from the conduct of riverboat  
31 gambling;

32 (4) the good faith affirmative action plan of each  
33 applicant to recruit, train and upgrade minorities in all  
34 employment classifications;

1           (5) the financial ability of the applicant to  
2 purchase and maintain adequate liability and casualty  
3 insurance;

4           (6) whether the applicant has adequate  
5 capitalization to provide and maintain, for the duration  
6 of a license, a riverboat; and

7           (7) the extent to which the applicant exceeds or  
8 meets other standards for the issuance of an owners  
9 license which the Board may adopt by rule.

10          (c) Each owners license shall specify the place where  
11 riverboats shall operate and dock.

12          (d) Each applicant shall submit with his application, on  
13 forms provided by the Board, 2 sets of his fingerprints.

14          (e) In addition to any licenses authorized under  
15 subsections (e-5), (e-10), and (e-15), the Board may issue up  
16 to 10 licenses authorizing the holders of such licenses to  
17 own riverboats. In the application for an owners license,  
18 the applicant shall state the dock at which the riverboat is  
19 based and the water on which the riverboat will be located.  
20 The Board shall issue 5 licenses to become effective not  
21 earlier than January 1, 1991. Three of such licenses shall  
22 authorize riverboat gambling on the Mississippi River, one of  
23 which shall authorize riverboat gambling from a home dock in  
24 the city of East St. Louis, and one of which shall authorize  
25 riverboat gambling on the Mississippi River or in a  
26 municipality that (1) borders on the Mississippi River or is  
27 within 5 miles of the city limits of a municipality that  
28 borders on the Mississippi River and (2) on the effective  
29 date of this amendatory Act of the 92nd General Assembly has  
30 a riverboat conducting riverboat gambling operations pursuant  
31 to a license issued under this Act. One other license shall  
32 authorize riverboat gambling on the Illinois River south of  
33 Marshall County. The Board shall issue one additional  
34 license to become effective not earlier than March 1, 1992,

1 which shall authorize riverboat gambling on the Des Plaines  
2 River in Will County. The Board may issue 4 additional  
3 licenses to become effective not earlier than March 1, 1992.  
4 In determining the water upon which riverboats will operate,  
5 the Board shall consider the economic benefit which riverboat  
6 gambling confers on the State, and shall seek to assure that  
7 all regions of the State share in the economic benefits of  
8 riverboat gambling.

9 In granting all licenses, the Board may give favorable  
10 consideration to economically depressed areas of the State,  
11 to applicants presenting plans which provide for significant  
12 economic development over a large geographic area, and to  
13 applicants who currently operate non-gambling riverboats in  
14 Illinois. The Board shall review all applications for owners  
15 licenses, and shall inform each applicant of the Board's  
16 decision.

17 (e-5) In addition to licenses authorized under  
18 subsections (e) and (e-10), the Board may issue one owners  
19 license authorizing the conduct of riverboat gambling  
20 operations from a home dock in a municipality with a  
21 population of more than 500,000 inhabitants. An owners  
22 license issued under this subsection (e-5) shall be issued  
23 only to the governing board of the municipality in which its  
24 home dock is located. No such license may be awarded to any  
25 other person or entity. If a license is issued to the  
26 governing board of a municipality pursuant to this subsection  
27 (e-5), that governing board shall conduct an auction and  
28 grant the opportunity to manage the riverboat gambling  
29 operations authorized by that license to the highest  
30 qualified bidder.

31 (e-10) In addition to licenses authorized under  
32 subsections (e) and (e-5), the Board may issue one owners  
33 license authorizing the conduct of riverboat gambling  
34 operations from a home dock located outside of the City of

1 Chicago, but in Cook County and in one of the following  
2 townships: Bloom, Thornton, Rich, Orland, Calumet, Worth,  
3 Palos, Bremen, or Lemont Township.

4 (e-15) In addition to licenses authorized under  
5 subsection (e), the Board may issue one owners license to  
6 authorizing the conduct of riverboat gambling operations from  
7 a home dock in the City of East St. Louis. The ownership of a  
8 license issued under this subsection (e-15) shall be  
9 constituted of at least 51% minority person ownership and at  
10 least 25% local person ownership. For the purposes of this  
11 subsection (e-15), the term "minority person" has the meaning  
12 provided in Section 2 of the Business Enterprise for  
13 Minorities, Females, and Persons with Disabilities Act and  
14 the term "local person" means a person whose primary  
15 residence is in Madison or St. Clair County or a corporation  
16 or firm that has its primary place of business in Madison or  
17 St. Clair County.

18 (e-20) The Board may revoke the owners license of a  
19 licensee which fails to begin conducting gambling within 15  
20 months of receipt of the Board's approval of the application  
21 if the Board determines that license revocation is in the  
22 best interests of the State.

23 (f) ~~The first 10~~ Owners licenses issued under this Act  
24 shall permit the holder to own up to 2 riverboats and  
25 equipment thereon for a period of 3 years after the effective  
26 date of the license. Holders of ~~the first 10~~ owners licenses  
27 must pay the annual license fee for each of the 3 years  
28 during which they are authorized to own riverboats.

29 (g) Upon the termination, expiration, or revocation of  
30 each owners license ~~of the first 10 licenses~~, which shall be  
31 issued for a 3 year period, all licenses are renewable  
32 annually upon payment of the fee and a determination by the  
33 Board that the licensee continues to meet all of the  
34 requirements of this Act and the Board's rules. However, for

1 licenses renewed on or after May 1, 1998, renewal shall be  
2 for a period of 4 years, unless the Board sets a shorter  
3 period.

4 (h) An owners license shall entitle the licensee to own  
5 up to 2 riverboats. A licensee, other than a licensee that  
6 receives its owners license under subsection (e-5), shall  
7 limit the number of gambling participants to 2,000 ±,200 for  
8 any such owners license. A licensee that receives its owners  
9 license under subsection (e-5) shall limit the number of  
10 gambling participants to the number set by the Board, which  
11 may not exceed 4,000 participants at one time. In setting  
12 the number of participants that a licensee that receives its  
13 license under subsection (e-5) may admit, the Board shall  
14 consider the best interests of the riverboat gambling  
15 industry. A licensee may operate both of its riverboats  
16 concurrently, provided that the total number of gambling  
17 participants on both riverboats does not exceed 1,200.  
18 Riverboats licensed to operate on the Mississippi River and  
19 the Illinois River south of Marshall County shall have an  
20 authorized capacity of at least 500 persons. Any other  
21 riverboat licensed under this Act shall have an authorized  
22 capacity of at least 400 persons.

23 (i) A licensed owner is authorized to apply to the Board  
24 for and, if approved therefor, to receive all licenses from  
25 the Board necessary for the operation of a riverboat,  
26 including a liquor license, a license to prepare and serve  
27 food for human consumption, and other necessary licenses.  
28 All use, occupation and excise taxes which apply to the sale  
29 of food and beverages in this State and all taxes imposed on  
30 the sale or use of tangible personal property apply to such  
31 sales aboard the riverboat.

32 (j) The Board may issue a license authorizing a  
33 riverboat to dock in a municipality or approve a relocation  
34 under Section 11.2 only if, prior to the issuance of the

1 license or approval, the governing body of the municipality  
2 in which the riverboat will dock has by a majority vote  
3 approved the docking of riverboats in the municipality. The  
4 Board may issue a license authorizing a riverboat to dock in  
5 areas of a county outside any municipality or approve a  
6 relocation under Section 11.2 only if, prior to the issuance  
7 of the license or approval, the governing body of the county  
8 has by a majority vote approved of the docking of riverboats  
9 within such areas.

10 (Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

11 (230 ILCS 10/13) (from Ch. 120, par. 2413)

12 Sec. 13. Wagering tax; rate; distribution.

13 (a) Until January 1, 1998, a tax is imposed on the  
14 adjusted gross receipts received from gambling games  
15 authorized under this Act at the rate of 20%.

16 From January 1, 1998 until July 1, 2002, a privilege tax  
17 is imposed on persons engaged in the business of conducting  
18 riverboat gambling operations, based on the adjusted gross  
19 receipts received by a licensed owner from gambling games  
20 authorized under this Act at the following rates:

21 15% of annual adjusted gross receipts up to and  
22 including \$25,000,000;

23 20% of annual adjusted gross receipts in excess of  
24 \$25,000,000 but not exceeding \$50,000,000;

25 25% of annual adjusted gross receipts in excess of  
26 \$50,000,000 but not exceeding \$75,000,000;

27 30% of annual adjusted gross receipts in excess of  
28 \$75,000,000 but not exceeding \$100,000,000;

29 35% of annual adjusted gross receipts in excess of  
30 \$100,000,000.

31 Beginning July 1, 2002, a privilege tax is imposed on  
32 persons engaged in the business of conducting riverboat  
33 gambling operations, based on the adjusted gross receipts

1 received by a licensed owner from gambling games authorized  
2 under this Act at the following rates:

3 15% of annual adjusted gross receipts up to and  
4 including \$25,000,000;

5 22.5% of annual adjusted gross receipts in excess of  
6 \$25,000,000 but not exceeding \$50,000,000;

7 27.5% of annual adjusted gross receipts in excess of  
8 \$50,000,000 but not exceeding \$75,000,000;

9 32.5% of annual adjusted gross receipts in excess of  
10 \$75,000,000 but not exceeding \$100,000,000;

11 37.5% of annual adjusted gross receipts in excess of  
12 \$100,000,000 but not exceeding \$150,000,000;

13 45% of annual adjusted gross receipts in excess of  
14 \$150,000,000 but not exceeding \$200,000,000;

15 50% of annual adjusted gross receipts in excess of  
16 \$200,000,000.

17 The taxes imposed by this Section shall be paid by the  
18 licensed owner to the Board not later than 3:00 o'clock p.m.  
19 of the day after the day when the wagers were made.

20 (b) Until January 1, 1998, 25% of the tax revenue  
21 deposited in the State Gaming Fund under this Section shall  
22 be paid, subject to appropriation by the General Assembly, to  
23 the unit of local government which is designated as the home  
24 dock of the riverboat. Beginning January 1, 1998, from the  
25 tax revenue deposited in the State Gaming Fund under this  
26 Section, an amount equal to 5% of adjusted gross receipts  
27 generated by a riverboat, other than a riverboat authorized  
28 under subsection (e-10) of Section 7, shall be paid monthly,  
29 subject to appropriation by the General Assembly, to the unit  
30 of local government that is designated as the home dock of  
31 the riverboat.

32 (b-5) From the tax revenue deposited into the State  
33 Gaming Fund under this Section, payments shall be made,  
34 subject to appropriation by the General Assembly, as provided

1 in this subsection (b-5).

2 An amount equal to 3% of the adjusted gross receipts  
3 generated by a riverboat authorized under subsection (e-10)  
4 of Section 7 shall be paid to the municipality in which the  
5 riverboat docks and to any other municipalities or townships  
6 that enter into an intergovernmental agreement with the  
7 municipality in which the riverboat docks to share that  
8 revenue and shall be divided according to the terms of that  
9 intergovernmental agreement.

10 An amount equal to 0.5% of the adjusted gross receipts  
11 generated by a riverboat authorized under subsection (e-10)  
12 of Section 7 shall be divided equally and paid to the  
13 townships enumerated in subsection (e-10) of Section 7.

14 An amount equal to 1% of the adjusted gross receipts  
15 generated by a riverboat authorized under subsection (e-10)  
16 of Section 7 shall be divided among the school districts in  
17 the townships enumerated in subsection (e-10) of Section 7 in  
18 inverse proportion to the per-student expenditures of each of  
19 those school districts.

20 An amount equal to 0.5% of the adjusted gross receipts  
21 generated by a riverboat authorized under subsection (e-10)  
22 of Section 7 shall be paid into the South Suburban Assistance  
23 Fund, which is hereby created in the State Treasury. The  
24 South Suburban Assistance Fund shall be administered by the  
25 Department of Commerce and Community affairs, or its  
26 successor agency, and moneys in the Fund shall be used to aid  
27 economically distressed communities in the townships  
28 enumerated in subsection (e-10) of Section 7.

29 (c) Appropriations, as approved by the General Assembly,  
30 may be made from the State Gaming Fund to the Department of  
31 Revenue and the Department of State Police for the  
32 administration and enforcement of this Act.

33 (c-5) (Blank). ~~After---the---payments---required---under~~  
34 ~~subsections-(b)-and-(e)-have-been-made,-an--amount--equal--to~~

1 15%--of--the--adjusted-gross-receipts-of-a-riverboat-(1)-that  
2 relocates-pursuant-to-Section--11.2,--or--(2)--for--which--an  
3 owners--license--is-initially-issued-after-the-effective-date  
4 of-this-amendatory-Act-of-1999,--whichever-comes-first,--shall  
5 be--paid--from--the--State--Gaming-Fund-into-the-Horse-Racing  
6 Equity-Fund.

7 (c-10) (Blank). Each-year--the--General--Assembly--shall  
8 appropriate--from--the--General-Revenue-Fund-to-the-Education  
9 Assistance-Fund-an-amount-equal-to-the-amount-paid--into--the  
10 Horse--Racing-Equity-Fund-pursuant-to-subsection-(e-5)-in-the  
11 prior-calendar-year.

12 (c-15) After the payments required under subsections  
13 (b), (c), and (c-5) have been made, an amount equal to 2% of  
14 the adjusted gross receipts of a licensee, other than a  
15 licensee that receives an owners license under subsection  
16 (e-5), (e-10), or (e-15) of Section 7, riverboat (1) that  
17 relocates pursuant to Section 11.2, or (2) for which an  
18 owners license is initially issued after the effective date  
19 of this amendatory Act of 1999, whichever comes first, shall  
20 be paid, subject to appropriation from the General Assembly,  
21 from the State Gaming Fund to each home rule county with a  
22 population of over 3,000,000 inhabitants for the purpose of  
23 enhancing the county's criminal justice system.

24 (c-20) Each year the General Assembly shall appropriate  
25 from the General Revenue Fund to the Education Assistance  
26 Fund an amount equal to the amount paid to each home rule  
27 county with a population of over 3,000,000 inhabitants  
28 pursuant to subsection (c-15) in the prior calendar year.

29 (c-25) After the payments required under subsections  
30 (b), (c), (c-5) and (c-15) have been made, an amount equal to  
31 2% of the adjusted gross receipts of a licensee, other than a  
32 licensee that receives an owners license under subsection  
33 (e-5), (e-10), or (e-15) of Section 7, riverboat (1) that  
34 relocates pursuant to Section 11.2, or (2) for which an

1 owners license is initially issued after the effective date  
2 of this amendatory Act of 1999, whichever comes first, shall  
3 be paid from the State Gaming Fund into the State  
4 Universities Athletic Capital Improvement Fund.

5 (c-30) After the payments required under subsections (b)  
6 and (c) have been made, an amount equal to 1% of the adjusted  
7 gross receipts of a licensee that receives an owners license  
8 under subsection (e-15) shall be paid, subject to  
9 appropriation by the General Assembly, from the State Gaming  
10 Fund to each of the following municipalities:

- 11 (1) Alorton;
- 12 (2) Brooklyn;
- 13 (3) Cahokia;
- 14 (4) Centerville;
- 15 (5) Venice; and
- 16 (6) Washington Park.

17 (c-35) Each year the General Assembly shall appropriate  
18 from the General Revenue Fund to the Education Assistance  
19 Fund an amount equal to the amount paid to municipalities  
20 under subsection (c-30) in the prior calendar year.

21 (d) From time to time, the Board shall transfer the  
22 remainder of the funds generated by this Act into the  
23 Education Assistance Fund, created by Public Act 86-0018, of  
24 the State of Illinois.

25 (e) Nothing in this Act shall prohibit the unit of local  
26 government designated as the home dock of the riverboat from  
27 entering into agreements with other units of local government  
28 in this State or in other states to share its portion of the  
29 tax revenue.

30 (f) To the extent practicable, the Board shall  
31 administer and collect the wagering taxes imposed by this  
32 Section in a manner consistent with the provisions of  
33 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,  
34 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and

1 Section 3-7 of the Uniform Penalty and Interest Act.  
2 (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

3 Section 95. The State Finance Act is amended by adding  
4 Section 5.595 as follows:

5 (30 ILCS 105/5.595 new)

6 Sec. 5.595. The South Suburban Assistance Fund.

7 Section 99. Effective date. This Act takes effect upon  
8 becoming law."